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TO: COMMISSIONERS AND INTERESTED PERSONS

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SUBJECT: **EXECUTIVE SUMMARY: PRELIMINARY REPORT ON THE  
PERIODIC REVIEW OF THE SAN LUIS OBISPO COUNTY LCP**

California Coastal Act section 30519.5 requires that the Coastal Commission periodically review certified Local Coastal Programs to determine whether they are being effectively implemented in conformance with the Coastal Act. Accordingly, staff has prepared a report that identifies preliminary options for improving LCP implementation in San Luis Obispo County. The *Preliminary Report on the Periodic Review of the San Luis Obispo County LCP* provides an initial framework for important public policy discussions concerning a variety of coastal resource protection issues in the County. These include environmentally-sustainable urban development, coastal water quality protection, maintaining agriculture and scenic rural landscapes, and preservation of sensitive species and habitats. Before summarizing these issues, it is important to understand the fundamental role of *Periodic Review* in the Commission's coastal management program.

***LCP PERIODIC REVIEW & THE PARTNERSHIP WITH LOCAL GOVERNMENT***

The Commission's partnership with local government is the cornerstone of coastal management in California. Under the Coastal Act, counties and cities are responsible for achieving statewide coastal resource protection goals through the implementation of Local Coastal Programs (LCPs). Working with local governments, the Commission initially assures that the goals of the Coastal Act are integrated into these LCPs, and that they contain policies and procedures adequate to protect coastal resources of local and statewide importance. But once an LCP is certified by the Commission, local governments assume the principal responsibility for issuing coastal development permits. Local governments such as San Luis Obispo County also become the custodians of their LCPs, and play a vital role in keeping these plans current and responsive to

environmental and social change. Since certification of its LCP in 1988, San Luis Obispo County has amended its LCP 26 times. Of course, many of these were piecemeal changes to the LCP, highlighting the need for comprehensive updates. Most recently, the County and its Advisory Councils have been developing comprehensive planning updates for the sensitive North Coast and Estero coastal areas. Overall, since LCP certification the County has been working on a variety of fronts, along with an informed and active citizenry, to respond to the complex and dynamic challenges of coastal resource protection through local implementation.

But effective local implementation of statewide resource protection goals is also dependent on the Commission continuing to work actively with local governments, in order to help frame local decisions within the broader context of statewide coastal protection. The Commission plays an important role in advising local government, providing information, and assisting with interpreting the goals of the California Coastal Act. The Commission also plays an important role in monitoring local actions. In the case of San Luis Obispo, Commission and County staff regularly discuss local development proposals and alternatives for achieving coastal resource protection. The ability of citizens or the Commission to appeal local decisions to the Commission is also important in assuring that the statewide perspective on coastal resource management remains vital in LCP implementation. The certified LCP is the main standard of review for such appeals, and while people may not always agree on its correct implementation, the Commission monitoring and appeal process allows for maximum public participation in the interpretation and application of the LCP through individual decisions.

For day-to-day LCP implementation to be truly effective, though, it is important to periodically conduct a comprehensive review and evaluation of individual coastal permit decisions and other coastal management activities. Periodic evaluation focuses people's attention on how an LCP is functioning in light of environmental, social, and economic change. It allows for the incorporation of new knowledge into the LCP, and the adjustment of existing policies, programs, and implementation practices, informed by the lessons learned about what works in the coastal management process. In short, the periodic review of LCPs is critical to the success of coastal management in California.

This is why Coastal Act section 30519.5 requires that the Commission periodically review the implementation of certified Local Coastal Programs. Regrettably, few periodic reviews have been completed thus far by the Commission, mostly due to the lack of resources needed to undertake these comprehensive planning evaluations. But increased funding has become available in recent years, and the Commission is committed to a strategy for systematically reviewing LCP implementation based on identified priorities for coastal resource protection in California. In December of 1998, the Commission identified San Luis Obispo County as its top priority for Periodic Review. In making this decision, the Commission recognized the extreme sensitivity and statewide significance of coastal resources in San Luis Obispo, as well as the tremendous growth pressures in this county located mid-way between the metropolitan regions of San Francisco and Los Angeles. In addition, the Land Use Plan of the County's LCP, which contains the core coastal protection policies for San Luis Obispo, was approved by the Commission in 1983, nearly 20 years ago. The County has been issuing coastal development

permits for just under 13 years (since final LCP certification in 1988), without a comprehensive evaluation from the Commission.

As summarized below, much has changed since the 1988. Over the last 13 years the County has made great strides in protecting coastal resources. But there are also many areas where the LCP should be strengthened, and where daily implementation can be improved, to respond to changing circumstances and new knowledge about effective coastal resource protection. Under section 30519.5, if the commission determines that a certified local coastal program is not being carried out in conformance with any policy of the Act, the Commission submits to the local government recommendations for corrective actions that should be taken. These actions can include suggested amendments to the LCP as well as intergovernmental coordination measures or actions by other state and local government agencies to improve implementation of the LCP.

The *Preliminary Report* of the San Luis Obispo Periodic Review is the first step in the development of a set of recommendations to the County as envisioned by section 30519.5. Many of the policy issues raised are complex, and there are variety of concerns and alternative policy options that should be deliberated. Informed public discussion and communication between the County and the Commission over the next several months will be important in developing final recommendations that not only address identified needs for enhanced coastal resource protection, but that are also practical and that will lead to meaningful changes to the County's LCP and its implementation. Overall, by providing this mechanism for evaluation and feedback, Coastal Act 30519.5 assures an ongoing process of keeping the LCP current and effective as a guiding standard for coastal management and decision making at the local level. The periodic review offers the opportunity to enhance coastal management by reviewing whether the LCP is achieving the results it was intended to achieve. It is also an opportunity to evaluate the cumulative impacts of coastal development and revise and update the LCP to address them.

Finally, while Commission staff have been working on the Periodic Review, the County has been conducting other significant planning efforts, including ongoing work with the Estero and North Coast Area Plan Updates. Much of the information collected and evaluated for the Periodic Review has emerged out of the extensive and ongoing coordination between the Commission, the County and the local Advisory Councils on these updates. Appendix E of the report contains the most recent staff-to-staff communications on these planning efforts, as well as other significant planning that has been taking place, such as the environmental review for the new Los Osos Wastewater Treatment Plant.

As shown Appendix E, Commission staff has been engaged in a productive dialogue with the County and local Advisory Council on the Estero Plan Update, which has produced substantial comments and responses to guide future policy development. Commission staff has also commented on the new North Coast Area Plan Project Description and the Draft Cambria Design Plan. The NCAP Project Description circulated by the County in fact reflects many of the modifications that the Commission suggested in its 1998 action on the North Coast Area Plan LCP Amendment submitted by the County. Although the modified amendment ultimately was not accepted by the County, significant discussions occurred at the staff level after this action in an effort to maximize opportunities to identify mutually-agreeable updates to the LCP. Commission staff also worked closely with the County for more than six months on the Avila

Beach Specific Plan LCP Amendment in order to achieve certification of this important update to the LCP. This update was certified by the Commission in November 2000 and elements of that Plan are reflected in the Review.

Throughout the past year, every effort has been made to integrate these parallel planning efforts with the Periodic Review. Much more detailed analysis and discussion of particular proposed Area Plan changes remains to be done. Still, there is no doubt that the Periodic Review has been significantly informed by these other planning efforts and, alternatively, that the work of the Review has helped shaped the Commission staff feedback to the County. Over the next several months, Commission staff will be coordinating with the County, local Advisory Councils, community service districts and other members of the public to develop a final set of Periodic Review recommendations for Commission consideration, tentatively set for the Commission's May, 2001 meeting in Santa Cruz.

Continued coordination between the County and the Commission as part of the ongoing updates of the LCP will be critical to the successful implementation of the LCP improvements suggested by the periodic review. But, as noted in the review, many of the issues raised concerning LCP implementation can be addressed simply through improved post certification monitoring and procedures, including enhanced daily coordination and communication. Ultimately, it is the strength of the partnership between the Commission and San Luis Obispo County, and an understanding of the shared goals that the Commission, County, and the public have in coastal resource protection, that will enable the LCP to be updated so as to respond effectively to the dynamic changes of life along the California Coast. An overview of some of these changes in San Luis Obispo County follows.

### ***CHANGES SINCE LCP CERTIFICATION***

Periodic Review is essential for keeping LCPs current in light of changed circumstances. It also is important to evaluate changed circumstances because of their integral connection to the effective implementation of the local coastal policies and programs. This is particularly true in the case of natural resource changes, where new information and scientific understanding is constantly evolving. Plans and policies put in place over fifteen years ago could not have anticipated the range and complexity of resource management problems that characterize the coastal environment of today.

In San Luis Obispo County, significant environmental, social, legal, and economic changes have occurred since certification of the County's LCP in 1988. Most fundamental, population growth and development pressures continue to place significant pressure on coastal resources. Population has increased almost 20% since 1988 and is projected to increase 57.8% over the 1988 population by 2020. The County also has issued more than 2,800 coastal development permits under the LCP. Most of these permits were for some type of residential construction. Approximately 2,186 new residential units have been authorized throughout the coastal zone.

Significant changes have also occurred that speak directly to the need for a periodic review of the San Luis Obispo County LCP. These include newly discovered endangered species and environmental threats, acquisition and designation of new protected areas, changes in statewide resource policy, and improved knowledge and public appreciation of coastal resources. Even a short list of these changes underscores the importance of periodically evaluating LCP implementation.

For example, in the case of the North Coast, at least two new species that rely on coastal waters (red-legged frog and steelhead) have been identified as threatened under the federal *Endangered Species Act* since LCP certification. Protection of the riparian zones and creeks, therefore, is even more vital to adequate protection of coastal habitats. When coupled with the new knowledge about the limited capacities of the creeks, it becomes critical to revisit the applicable coastal policies, and update them to account for this new resource management condition.

Similarly, the emergence of the Elephant seal colony at Piedras Blancas, and the spread of Pitch Canker disease among Monterey pine forest require new analyses and policies for incorporation into the LCP. These are examples where both science and resource conditions have evolved (without predictability) to the point that existing policies no longer anticipate, and are inadequate to address, the new resource circumstances. Following is a summary list of significant changes in San Luis Obispo since LCP certification.

### ***Resource Changes***

- The listing of several endangered species, including the steelhead trout, red-legged frog, the western snowy plover, the morro shoulderband snail, and morro manzanita and four other plants endemic to Los Osos.
- The emergence of Pitch Canker Disease as a significant threat to the pine forest in and around Cambria.
- Emergence of significant new breeding colonies of elephant seals at Piedras Blancas in the early 1990s.
- Increasing purchase of remote coastal ranchlands for the development of "Statement Homes".
- Designation of the San Simeon fault as an active fault by the State Geologist.
- Emergence of MTBE pollution as a major groundwater quality concern.
- Increases in tourism and shoreline recreation; increased popularity of recreational boating, hiking, mountain biking and other forms of outdoor coastal recreation.
- Significant flood events in Cambria.
- Greater than a 100% increase in visitor-serving accommodations on the North Coast.
- Increased shoreline erosion.

- Designation of California Coastal Trail from Oregon to Mexico as the National Millennium Trail for the State.
- Designation of Route One as a Scenic Highway.
- Significant impacts from oil and gas contamination in Avila Beach and Guadalupe Dunes.

### ***New Resource Programs***

- Designation of the *Monterey Bay National Marine Sanctuary* in 1992.
- Establishment of the *Morro Bay National Estuary Program*.
- Establishment of the *Guadalupe Nipomo Dunes National Wildlife Area*.

### ***Improved Resource Management Knowledge***

- New information concerning the limited capacities of the five major water supply creeks and groundwater basin in the North Coast and Estero planning areas
- Improved knowledge about the effectiveness of visual resource protection policies from the Commission's experience in Big Sur
- Enhanced Public Appreciation of rural and coastal landscapes
- Discovery of new archeological sites

### ***Legal Changes***

- Significant changes in 5th amendment Takings jurisprudence
- Adoption of a new *California Nonpoint Source Pollution Control Program*

As shown even by this short list, much can change in just over a decade. These changes highlight the importance of having a responsive coastal management system, and of conducting periodic reviews on a regular basis. Thirteen years is far too long a time period to wait in between such evaluations. The longer the time period between comprehensive evaluations, the more likely it is that coastal resources will be lost due to changing circumstances that have not been addressed through comprehensive planning. Also, the longer the time span between comprehensive reviews means that greater staff resources are required to collect and evaluate the accumulated data, in this case of more than a decade of LCP implementation. As summarized in the next section, though, the County and the public have responded to many of the coastal resource protection challenges in San Luis Obispo, leading to many positive changes as well.

## **COASTAL MANAGEMENT ACHIEVEMENTS IN SAN LUIS OBISPO**

The Periodic Review shows that the County, local citizen groups, and others have taken significant steps to respond to changing conditions through LCP implementation and other resource management efforts. Major accomplishments in coastal management since 1988 include:

- **Property and conservation easement acquisitions** have occurred, including at the East-West Ranch, Sur Sur Ranch/Forest Service, Williams/TPL, CT Ranch/TNC sites and the Estero Bluffs, Morro Palisades and Powell Property. Conservation easements also have been negotiated for 5.7 miles of coastline between Montana de Oro and Avila Beach and for the 3,000 acre Guadalupe oilfield and the Guadalupe Nipomo Dunes National Wildlife area was established.
- **County Acceptance of Public Access OTDs.** The County has picked up many outstanding offers to dedicate public access throughout its coastal zone.
- **Agricultural land preserves** under Williamson Act contracts have increased countywide and more than 7,000 new acres of land have come under contracts in the coastal zone.
- **Funding and studies for Erosion Control and Forest Management**, including development of a targeted erosion control program in Lodge Hill of Cambria.
- **Remediation for Avila Beach and Guadalupe Oil Spills** has been undertaken with over \$60 million in mitigation implemented.
- **Ongoing coastal planning** has been undertaken. Specific Plans have been developed in Avila Beach, and are being developed for Oceano and the Morros. Substantial LCP enhancements for the North Coast and Estero planning areas are proposed, including a critical viewshed policy for the North Coast, and a comprehensive habitat conservation program for Los Osos; and Design Plans are being developed in Cambria.
- **Public participation** has increased through the establishment and staffing of formal Coastal Community Advisory Councils and the development of materials to facilitate public involvement in coastal planning and management.
- **Substantial funding for coastal resource protection and enhancement projects** has been assured through Coastal Resource Grant Programs and through major project mitigation.

These achievements highlight that effective coastal management relies on more than the coastal development permitting process. Property acquisitions, nonprofit management, funding of research and programs and, perhaps most important, public participation, all contribute to the capacity of the coastal management system to respond effectively to changes along the coast.

Nonetheless, even with these significant accomplishments in furthering coastal resource protection and management in San Luis Obispo, the Periodic Review also identifies major areas where the LCP and its implementation can be strengthened to respond to ongoing and new coastal resource management challenges in the County. Improvements are needed in every resource area protected by the Coastal Act, and these are detailed in the Preliminary Report. A brief summary of the key findings and preliminary recommendations follows.

### ***SUMMARY OF PRELIMINARY REPORT***

The following sections are not complete listings of the preliminary recommendations found in the full report. Only major findings and an abbreviated listing of recommendations is provided.

***Intergovernmental Coordination and Procedural Improvements. LCP implementation and coastal resource protection can be vastly improved in all policy areas through investment in the coastal resource management process, including support for enhanced coordination and teamwork between the Commission and the County planning staffs. Procedural changes that facilitate such coordination, maximize opportunities for public participation, and clarify noticing and appeal procedures, will equally benefit the coastal development review process.***

The Coastal Act envisioned a planning and regulatory program built on public participation and ongoing coordination between coastal management staffs at the local and state level. However, staffing constraints faced by both the County and the Commission has made coordination between the agencies and the interested public more difficult. The review of the County's LCP indicates that in many cases, the standards of the certified LCP are structured in conformance with the Coastal Act. Nevertheless, implementation issues arise when there are differences in policy interpretations, problems in notification, and inadequate or unclear analyses and permit findings. Better coordination early in the permitting process may help reduce appeals from County actions and improve ongoing decision-making. Similarly, clarification of noticing requirements and other implementation procedures, as suggested in Chapter 12, will enhance the efficiency and effectiveness of the development review process as well as maximize opportunities for public participation. Given limited staff resources, the County, Commission and the community should work to identify alternative ways to improve monitoring and exchange of information, and to perfect LCP implementation procedures.

***Environmentally-Sustainable Development. Improved policies and programs are needed to assure that future urban development, particularly in Cambria and Los Osos, is environmentally-sustainable, and that sensitive coastal stream habitats and groundwater basins are protected. New policies are needed to address the cumulative impacts of development on rural agricultural lands.***

While the County has partially met the Coastal Act goal of concentrating urban development, pressures have driven residential growth beyond the urban-rural boundaries at the northern edge of Cambria and on the urban edge of Los Osos. In addition, new development threatens to permanently alter rural agricultural viewsheds and undermine



agricultural viability outside of urban areas. The character of rural lands is being adversely affected by cumulative development patterns on legally-recognized but non-conforming lots, facilitated by lot-line adjustments that create attractive residential home sites.

In addition, urban development is being authorized without adequate public services. The total projected buildout will create deficits over the sustainable yield of available water supplies in San Simeon Acres, Cambria, Cayucos, and Los Osos. While the County has taken some positive steps, such as retiring development potential of close to 300 lots through a TDC program in Cambria and implementation of retrofit programs, the projected buildout will create substantial deficits in available capacity of services. Immediate short-run strategies are needed in Cambria to avert damage to groundwater basins and sensitive habitats. Serious longrun strategies are needed to address the problem of too many small lots in Cambria.

***Preliminary Alternatives:***

The report identifies a range of alternatives, including the following:

Urban Areas

- Strengthen the implementation Resource Management System (RMS) to assure more proactive resource management in urban areas with inadequate public services.
- Implement measures to control short-term growth and long-term buildout reduction in Cambria. Implement an aggressive policy to protect the groundwater basins supplying Cambria. Prohibit new subdivisions in Cambria and Los Osos that create new development potential.
- Expand the TDC program to allow more sending sites, limit the amount of TDC any one receiving site can use, and address cumulative impacts of TDCs on receiving areas.
- In the Estero Area, implement measures to control short-term growth and long-term buildout reduction in Los Osos. Consider policies to assure that new development relying on groundwater is not approved until a safe yield or alternative water source is determined.
- Improve County-Commission coordination and findings on projects outside Urban Services Lines (USL) and clarify the controlling authority of the LCP with respect to whether new development is appropriate outside USL.
- Evaluate potential for reduction of development intensities on the perimeter of urban areas.
- Consider programs and policies to establish or support greenbelt and open space areas on the urban fringe of developed areas, e.g. Los Osos.
- Encourage urban redevelopment inside the USL prior to authorizing development outside of USL boundaries.
- Develop strategies to address future development that may be facilitated by the construction of a new wastewater treatment plant in Los Osos.

Rural Areas (see also, Agriculture below)

- Minimize expansion of development nodes in the rural North Coast by rezoning viable grazing lands currently zoned for recreation back to Agriculture. Limit new visitor serving development to existing commercial nodes at San Simeon Village and San Simeon Acres.
- Apply resource protection policies more strictly to lot-line adjustments in rural lands and amend current lot line adjustment review criteria. Evaluate options for new lot-line adjustment policies to protect agricultural land, and methods for processing non-conforming parcels.
- Update the LCP to address large residential developments in rural areas, including assuring watershed protection, addressing water impacts, and limiting the impacts of non-agriculturally related residential development on agricultural lands and operations.
- Establish a watershed/basin management program and additional requirements for minimizing water use.
- Expand the RMS to require resource capacity studies in rural lands.

***Enhanced Water Quality Protection. Updated policies and programs are needed to assure implementation of Best Management Practices in new development, address urban and agricultural nonpoint source runoff, and enhance coastal watershed protection.***

Coastal water quality impacts are a growing concern in California. Nonpoint source pollution is increasingly recognized as the most important pollution problem to address to achieve clean coastal waters. Significant work has been done in California, at the federal level and nationwide in improving our techniques for managing nonpoint source pollution. In January, 2000, the Commission adopted the *Plan for California's Nonpoint Source Pollution Control Program*.

In San Luis Obispo County, erosion and sedimentation from grazing and other agricultural practices, and runoff containing residues of pesticides and other chemicals are identified as a contributing factor to water quality problems. The LCP currently exempts many agricultural activities from permit review and thus from measures to ensure adequate implementation of best management practices. LCP implementation has also resulted in some development on steep slopes, particularly in urban areas such as Cambria and Cayucos, which increases the potential for erosion and runoff.

The LCP also does not contain current policies and ordinances to achieve the goals of the Commission's nonpoint source pollution control program, including strengthened performance standards, the use of current best management practices to minimize erosion and sedimentation, and adequate monitoring to assure the effectiveness of measures required. Comprehensive urban runoff programs should be implemented as well. Finally, the LCP needs to be updated to reflect

new information on management measures to address discharge from boats and pollutants generated from boat maintenance activities.

***Preliminary Alternatives:***

The report identifies a range of alternatives, including the following:

- Expand the LCP Watershed Chapter to include a comprehensive Water Quality Component. Incorporate the management measures of the *Plan for California's Nonpoint Source Pollution Control Program* into the LCP with amendments to the policies and ordinances, and through implementation of a variety of non-regulatory and educational programs.
- Develop watershed plans for each water basin and/or planning area to address cumulative nonpoint source pollution.
- Modify existing policies to protect sensitive areas from grazing impacts and to address pollution from nutrients, pesticides, and irrigation. Modify the grading and permit exemptions to minimize water quality impacts from agricultural uses.
- Change existing LCP policies and ordinances to reflect current knowledge (e.g., minor changes to the definition of the wet season).
- Incorporate tools into the planning process to address water quality concerns for development that does not require an erosion control plan under the LCP.
- Modify the existing drainage policy to improve the management of post-construction runoff by requiring that projects incorporate the most up-to-date BMPs, including a requirement to size post-construction BMPs to accommodate the runoff from the 85th percentile storm runoff.
- Incorporate performance standards and monitoring requirements into erosion control plans.
- Develop programs to address ongoing operations of harbors and boating facilities, including education programs incorporating best management practices for waste disposal and maintenance activities, and fuel spills.

***Maintaining Agricultural Lands. Improved policies and standards are needed to address non-agricultural land uses in rural areas and on nonconforming agricultural parcels, and to improve viability analyses of agricultural lands.***

Keeping viable agricultural lands zoned for agriculture is critical under the Coastal Act. The County has sought to redesignate approximately 305 acres of agricultural lands through a number of LCP amendment submittals, about half of which were found by the Commission to be consistent with the Coastal Act and the LCP. An important step in avoiding inappropriate conversions is assessing the viability of continued agricultural use. The County has, in some cases, proposed converting agricultural lands without adequate findings as to the ongoing feasibility of agricultural uses.

Long-term protection of agricultural lands is impacted by other factors as well, including subdivisions and lot-line adjustments, legalization of lots through certificates of compliance, development on nonconforming agricultural parcels, and approval of non-agricultural development in rural agricultural areas. Overall, the County has not significantly increased the number of non-conforming lots as a result of new subdivisions, and has in several cases brought a non-conforming lot into compliance with the minimum parcel sizes under the LCP in order to further protect of agricultural lands. Additional nonconforming lots have been recognized, though, through the certificate of compliance process established by the Subdivision Map Act. These lots then become candidates for lot-line adjustments to facilitate residential development not associated with a bonafide agricultural use. The cumulative effect of future additional subdivisions, lot-line adjustments, and certificates of compliance could significantly change land use patterns, decrease overall parcel sizes, and may decrease the overall long-term viability of agricultural lands, inconsistent with the Coastal Act. In approving the supplemental and non-agricultural uses on agricultural lands, though, the County has not fully implemented sufficient measures to determine that the land is not viable for on-going agricultural activities. Expanding allowable supplemental uses on agricultural lands without more thorough analysis of effects on agricultural viability may not adequately protect agricultural lands as required by the Coastal Act.

Finally, intensification of agricultural land uses is an emerging trend and results in increased impacts to coastal resources through such things as habitat loss, landform alteration and increased water use. Potential vineyard development is a particular concern. The LCP's current program and standards may not be sufficient to address these concerns, especially given the limited exemptions from permit review for grading and other agricultural operations. As discussed previously, water quality protection may also be at risk from intensified agricultural land uses.

***Preliminary Alternatives:***

The report identifies a range of alternatives, including the following:

- Develop a new LCP policy and ordinance to strengthen review of lot-line adjustments for conformance with the resource protection policies of the LCP.
- Evaluate policy alternatives to prohibit lot-line adjustments from increasing the number of developable parcels.
- Establish criteria regarding lot-line adjustments on existing non-conforming lots in agricultural lands so that lot-line adjustments are approved only if they maintain or enhance agricultural viability.
- Explore adopting a merger ordinance for non-conforming Agricultural parcels, as provided in the Subdivision Map Act.
- Pursue policies and programs to address the issuance of Certificates of Compliance and Conditional Certificates of Compliance.

- Require any other proposed development that would convert agricultural land to other non-agricultural uses to conduct an agricultural viability analysis.
- Update the existing LCP ordinance that outlines the required components of viability reports to ensure that agricultural viability is adequately assessed.
- Further restrict the non-agricultural uses allowed on agricultural lands.
- Develop LCP standards for large residential developments on Agricultural Land.
- Evaluate Table O for revisions to address non-agricultural uses and to clarify conditional uses on agricultural land. For example, consider defining residences that are not developed in direct support of bonafide agricultural operation to be a conditional, supplemental use. Require agricultural protection easements on the parcel in conjunction with residential development.
- Modify agricultural exemptions to require coastal development permits for changes in the intensity of use of agricultural lands that result in grading and landform alteration, alteration of drainage and runoff or increased sedimentation, impacts to environmentally sensitive habitat area, or grading within 100 feet of a stream or waterbody.
- Enhance LCP standards to improve protection of coastal resources by: (1) limiting new or expanded crop production to slopes of less than 30%; (2) incorporating erosion control measures; (3) incorporating cover crops into vineyards and hedgerows, which increase the habitat and reduce erosion potential; (4) maintaining oak trees and protecting ESHA, and planting vines away from oaks; (5) reducing the use of fumigants, pesticides, and fertilizers; and (6) assuring wildlife travel corridors through limitations on fencing or other mechanisms. These revisions may be authorized under a combination of general planning law and the Coastal Act.
- Strengthen implementation of existing LCP water management requirements.
- Develop LCP policies and standards to address potential conversion of rural grazing landscapes to intensive crop production that would impact scenic vistas, alter watersheds, and adversely impact habitat values.

**Preservation of Scenic Rural Character. LCP changes are needed to better preserve the special character of the County's rural agricultural lands, including further concentrating future development at appropriate locations, protecting sensitive viewsheds through a critical viewshed policy, and establishing a protective visual resource overlay. Support should also be increased for special communities.**

The County has made significant efforts to implement a number of programs intended to restore visually degraded areas where feasible, and/or to add to the overall attractiveness of special communities. These include the Oceano Urban Area Program, the Avila Specific Plan, the Cambria Forest Management Plan, various Design plans in Special Communities, and the Overhead Utility Undergrounding Project. In addition, a number of properties with significant scenic resources have been purchased for public use or are under a conservation easement.

However, in many other cases, important public viewsheds have been degraded since certification of the LCP and will continue to suffer the cumulative impacts of new development under the current practices of development approval. Inadequate regulatory control over siting and design of new development, over-dependence on vegetative screening to mitigate substantial visual impacts, lack of enforcement of permit conditions, missed opportunities to eliminate non-conforming uses, and a development in critical viewsheds are all contributing to an erosion of irreplaceable visual resources. Impacts of cellular towers and fiber optic cables are an emerging trend that needs to be addressed. In the Harmony Coast area and in Cambria, the cumulative impacts resulting from the buildout of existing lots could significantly affect the visual resources and community character.

***Preliminary Alternatives:***

The report identifies a range of alternatives, including the following:

- Enact a Critical Viewshed Protection Policy.
- Create a Scenic SRA combining designation separate from the existing general SRA, which includes scenic resources as one element.
- Strengthen the County's enforcement program and condition compliance monitoring.
- Create a funding mechanism for an open space district to purchase scenic properties and retire development rights.
- Pursue National Scenic Byway Designation for Highway One in the Estero and North Coast Planning Areas.
- Strengthen Public Viewshed Protection Policy language to clarify that scenic viewsheds need to be protected from all public viewing areas, including state coastal waters.
- Restore the small scale neighborhood SRA designations to Cayucos.
- Monitor and evaluate the current TDC program and its effect on receiving sites.
- Support continued undergrounding of overhead utilities. Highway 1 through the Hearst Ranch should be identified as a priority area for undergrounding of utilities.
- Evaluate designation of Harmony as a Special Community of Historic Importance.

***Sensitive Coastal Habitat Protection. Policy implementation refinements and new and updated LCP standards are needed to assure adequate identification and protection of sensitive habitats.***

As previously described, there are numerous changed circumstances related to the type, extent, and status of Environmentally Sensitive Habitat Areas (ESHA) present throughout the San Luis Obispo coastal zone. Revisions and updates to the LCP, and improved procedures for LCP

implementation, are needed to respond to this new information, as well as to address the following additional issues identified by the Review:

- Incomplete maps of sensitive habitats have been relied upon to identify and protect ESHA;
- Project alternatives that avoid impacts to ESHA have not been adequately pursued;
- Mitigation requirements have not effectively offset impacts to ESHA;
- “Takings” concerns have unnecessarily compromised effective ESHA protection; and,
- The absence of comprehensive habitat protection and management plans for the Los Osos and Cambria areas has interfered with the effective protection of sensitive Monterey pine forest, coastal scrub, and maritime chaparral ecosystems.

***Preliminary Alternatives:***

The report identifies a range of alternatives to respond to these issues, including the following:

- Revise the LCP definition of ESHA so it conforms to the Coastal Act and is not limited to areas mapped by the LCP. Similarly, revise the definition of streams so that is not limited to streams mapped by the U.S. Geological Survey.
- Supplement the use of LCP ESHA maps with site specific evaluations and other available information to determine the presence of ESHA. Use the site-specific biological delineations generated during project reviews to routinely update LCP ESHA maps.
- Update the Area Plans to include species that fit the definition of ESHA from a local or regional level (e.g., Monarch butterfly over-wintering sites, Elephant seal haul-out areas).
- Continue efforts to develop a Habitat Conservation Plan for the Los Osos area and to incorporate this plan into the Estero Area Plan Update.
- Pursue development of a comprehensive forest management and protection plan for the pine forest in and around Cambria, potentially as part of the North Coast Update. This plan should, among other things: emphasize the importance of avoiding the removal of pines, particularly those that display a resistance to pitch canker; provide a framework for guiding off-site tree replacement; update the TDC program; establish protocols for handling diseased wood; and prescribe mitigation that facilitates the acquisition of the most sensitive forest habitats as a means to offset the cumulative impacts of buildout on forest resources.
- Expand requirements for biological reports to ensure that all information necessary to address habitat impacts, and identify less damaging alternatives, is available during project review. Coordinate the update of these requirements, as well as the review of biological reports, with the Department of Fish and Game and the U.S. Fish and Wildlife Service, among other applicable regulatory agencies and interested parties.

- Revise Table O to clarify that resource dependent uses are the only allowed uses within an ESHA or setback, and to acknowledge the restrictions on development in or adjacent to ESHA.
- Stringently enforce the LCP's prohibition of subdivisions that create new building sites in ESHA, and revise LCP provisions regarding clustered subdivisions so that all land divisions are effectively set back from, and protective of, ESHA.
- Update SRA standards to require that *all* development concentrate proposed uses in least sensitive portions of properties (not just development that triggers development plan review).
- Require all parcels that are geographically contiguous, and under common ownership, to be addressed by an overall development plan where development of any one of these parcels may pose impacts to ESHA.
- Analyze economic backed expectations where ESHA impacts cannot be avoided and where non-resource dependent development may need to be accommodated in order to prevent a taking. Restrict such development to the minimum necessary to avoid a taking of private property while maximizing consistency with the LCP.
- Establish maximum disturbance envelopes for new development in sensitive areas.
- Specify minimum mitigation requirements for unavoidable impacts, including monitoring and maintenance provisions adequate to ensure mitigation effectiveness or corrective action.
- Improve implementation of ESHA setback standards, evaluate effectiveness of current setback standards, and require 100 foot setbacks wherever possible (including in urban areas).
- Limit the use of variances so they do not result in adverse impacts to ESHA.
- Modify existing policies and ordinances to further restrict and avoid streambed alterations and to minimize their adverse impacts.

***Public Access: Through acceptance of offers to dedicate public access and new acquisitions, the County has made major gains in providing new public access since certification. However, there are still areas where access is not available, areas where existing access may be threatened and areas where easements are sited in a way that may not maximize access. In addition, since certification of the LCP, new priorities for completing the California Coastal Trail have emerged. Modifications to the LCP to develop an updated comprehensive Access Component could address many of the concerns raised in the review.***

The County has accepted numerous outstanding Offers to Dedicate Public Access (OTDs), mostly for lateral access along the shoreline. Since certification, the County has required additional access mitigation - 60 lateral shoreline easements, five vertical shoreline easements and five trail easements - primarily in Cambria, Cayucos, and Los Osos. However, these required easements represent only about 37% of the cases where the County has authorized development along the shoreline. In some cases the County actions requiring access OTDs



appear to conflict with the intent of the LCP policies by including limitations in the condition language that do not assure that the access will be provided. In some cases, access requirements site easements in a way that will not assure maximum public access.

A related concern is assuring the adequate distribution of pedestrian access throughout the County. There are many stretches of coastline in the County lacking adequate vertical access; the two longest areas are each approximately 15 miles long. An important component of assuring this distribution of access is completing the segments of the California Coastal Trail. To date, only approximately 37% of the trail in San Luis Obispo County is complete.

The LCP also needs to strengthen protection of existing public access, for example by tightening provisions that would prevent future loss of access through quiet title actions and better addressing potential prescriptive rights. Finally, the potential conflict between providing access and protecting sensitive resources will continue to grow. Since 1988, the snowy plover, which nests on sandy beaches, was listed as a threatened species. A new colony of elephant seals also became established at Piedras Blancas. Both these species are found in shoreline areas with public access. While the County has generally been successful in balancing the provision of public access with the protection of sensitive resources in its regulatory program, there is increasing potential for future conflict.

***Preliminary Alternatives:***

The report identifies a range of alternatives, including the following:

- Continue efforts to complete an updated Comprehensive Access Component to include: a complete inventory of existing and potential access, including an analysis to document informal use and potential prescriptive rights; strategies for increasing public acquisition of areas; identification of areas where lateral access should be expanded to include blufftop access; and management of passive recreation in sensitive rural areas.
- Update the LCP to improve the siting of access dedications, including the use of blufftop trails.
- Continue efforts to accept any remaining outstanding OTDs and amend the LCP to allow for direct dedication of public access easements to the County.
- Develop a mechanism to address future quiet title actions and ensure the protection of public access opportunities.
- Analyze the long-term supply and demand for low-cost visitor serving recreation, and evaluate the need to further provide for such uses through LCP amendments.
- Continue to work with other resource agencies to develop strategies to manage sensitive habitats in recreation areas. Policies should assure that where the Coastal Trail is on a beach that is seasonally occupied by sensitive species, a supplementary blufftop trail is provided. Include public access management and enhancement as a component of all habitat management planning and conservation plans.

***Coastal Hazards: Implementation of the LCP has resulted in more armoring of the shoreline as a response to coastal hazards, mostly in Cayucos and Cambria. The LCP needs to improve measures to avoid and minimize additional armoring, and to ensure that future construction and maintenance of shoreline protection devices reduce and mitigate adverse impacts to the greatest degree feasible.***

Changes to LCP Hazards provisions and implementing procedures are needed to respond to the new information available regarding shoreline erosion hazards and the impacts that shoreline protection devices pose on coastal resources. Additional changes are needed to address the following issues that have been identified from a review of the approximately 56 permits for new or expanded shoreline armoring (mostly in Cayucos and Cambria) authorized by the Commission and the County since LCP certification: (1) implementation of existing setback policies has been insufficient to prevent additional shoreline armoring due to inadequate estimates of erosion rates; (2) accessory structures have been allowed in the setback areas; (3) approval of variances to setback standards in areas of high erosion hazard; and (4) an unrealistic estimated economic life of 75 years.

The LCP also does not adequately address resiting of development at risk from erosion, particularly older structures that are likely to be redeveloped. Since many of the existing shorefront structures are older structures, reconstruction or redevelopment is likely to occur. Without standards to site redevelopment as far landward as possible, additional armoring will be likely.

Other problems with LCP implementation include: lateral access OTDs required to mitigate the impact of shoreline protective devices on coastal access have, in some cases, been recorded on public lands and have also not been accompanied by conditions that ensure easements remain free of future encroachments (e.g., expansion of shoreline protective devices); emergency armoring along Pacific Coast Highway has been constructed with minimal engineering, inadequate consideration of alternatives, without mitigation of impacts on coastal resources, and inconsistent permit follow-up; geologic evaluations have not provided the data necessary to conduct an adequate review of site stability and project alternatives; and in some areas, existing LCP policies are inadequate to fully address seismic hazards and flooding concerns.

***Preliminary Alternatives:***

The report identifies a range of alternatives, including the following:

- Modify policies to define “existing coastal development” as only the principle structure, and specify that armoring is not allowed for the sole purpose of protecting accessory structures. Strengthen setback policies to base required setbacks on a 100-year rather than a 75-year economic life of a structure. Re-examine the regional average erosion rates to estimate a minimum setback distance that better reflects current shoreline changes.

- Develop standards to prohibit new subdivisions, lot splits, or lot legalizations that create new lots in high wave hazard areas.
- Strengthen standards for new development on vacant lots subject to hazards, or for demolition and rebuilding of structures, to require that the applicant assumes the risk of building without assurances that future armoring will be allowed.
- Implement an area-wide shoreline erosion and bluff retreat management plan for Cayucos and Cambria. Identify specific types of armoring acceptable for specific areas, include procedures for evaluating alternatives. Also incorporate procedures to address emergency armoring, with provisions for coordinating for field inspection, guidance on types of temporary structures preferred, and requirements that emergency armoring be removed if a follow-up permit is not granted.
- Clarify policies that Highway 1 must comply with setback standards to be safe from erosion for 100 years, and pursue alternatives to armoring including relocation of the Highway where feasible and appropriate.
- Modify ordinances to require mapping of all public access easements and recorded OTDs.
- Update and expand requirements for geologic evaluation reports within the GSA combining designation.
- Update seismic mapping and expand the GSA designation to include new faults identified since certification. Require complete geologic investigation of these areas prior to approving new development.
- Expand the flood hazard designation.
- Develop and implement a flood analysis and management plan for West Village in Cambria.
- Prohibit the removal of vegetation on public lands to protect private development from fire hazards unless the impacts of such removal are appropriately mitigated.
- Resite existing structures outside of hazardous areas when proposed for redevelopment.
- Require reductions in building footprints where necessary to avoid erosion hazards.
- Develop mitigation programs to pay for beach nourishment where shoreline protection devices may adversely affect beach sand supplies.
- Pursue acquisition of areas subject to high hazards.

***Archaeological Resource Protection: San Luis Obispo County has a rich archaeological heritage. Since certification of the LCP in 1988, the number of registered archeological sites registered in San Luis Obispo County has increased from 1,000 to 2,055 sites, the majority of which fall within the coastal zone. This increase is due to more expansive real estate disclosure laws and CEQA requirements. The principal sources of destruction of archaeological resources are from urbanization and uncontrolled public access. Two factors must be addressed to adequately protect archaeological resources: adequate identification of resources and avoidance or adequate mitigation of impacts to known resources, including***

***onsite monitoring in areas of known resources. Overall, with few exceptions, the County has protected archaeological resources in conformance with LCP and Coastal Act requirements.***

- Update Archeological Resources Overlay Maps to reflect a more accurate location of archaeologically sensitive areas. The proposed Estero Area Plan Update from February, 1999 offers a possible option to update maps.
- Pursue options to strengthen protection of archaeological resources including evaluating requirements for geoarchaeology surveys.

***Energy and Industrial Development: New issues since certification of the LCP include a significant increase in proposed fiber optic cables, wireless communication facilities<sup>1</sup>, and the closure, or pending closure, of several energy facilities. The LCP should be updated to address these emerging issues.***

***Preliminary Alternatives:***

The report identifies a range of alternatives, including the following:

- Update LCP designations and policies to identify and establish cable corridors and consolidated landing sites.
- Expand LCP ordinances to require that fiber optic cable projects are installed with suitable mitigation measures such as drilling monitoring, erosion control, revegetation, public access mitigation and other measures necessary to protect all scenic resources and habitat values.
- Update LCP policies to address the abandonment and decommission of energy facilities and power plants. Incorporate more specific standards to address abandonment procedures, site remediation, and rezoning.

***NEXT STEPS***

The Periodic Review Preliminary Report is being submitted for consideration by the Commission, the County and the public. The Commission hearing in February 2001 will initiate a public review and comment period. During this public comment period the Commission staff will work with the County, local Advisory Councils, and the public to refine the policy options that might best respond to the identified LCP program needs. This step will also allow for more specific public evaluation and integration of the program changes already developed by the County in the Estero and North Coast Area Plan Updates. Following the public review period, the Commission staff will submit a Final Report and recommendations to the Commission for action, tentatively scheduled for May 2001 at the Commission's public meeting in Santa Cruz.

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<sup>1</sup> Recommendations regarding wireless communications facilities are addressed in the staff report on SLO LCP Amendment No. 2-99, also scheduled for hearing at the February 2001 Commission meeting.